UNITED STATES DEPARTMENT OF AGRICULTURE

WASHINGTON 25, D. C.

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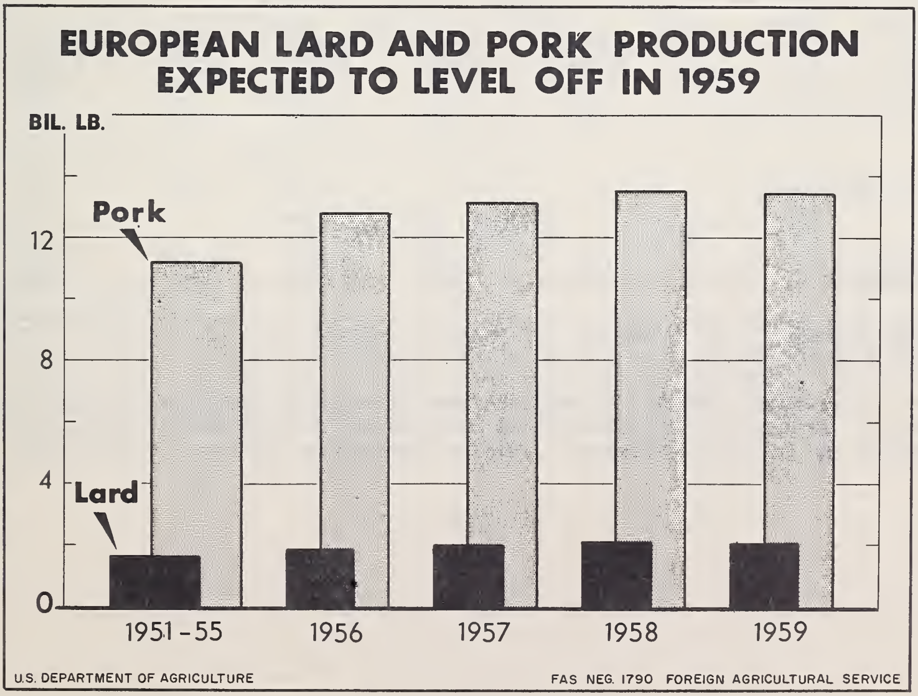
FOREIGN AGRICULTURE CIRCULAR

U.S. DEPARTMENT OF AGRICULTURE
Foreign Agricultural Service Washington D.C.

FLM 9-58
October 31, 1958

WORLD HOG SLAUGHTER CONTINUES UPWARD

Hog slaughter, in 27 countries covered by the Foreign Agriculture Service, has continued to increase in 1958 and a further rise is expected in 1959. However, the various areas studied showed conflicting trends. Thus European slaughter, which has risen rapidly to a new high in 1958, is expected to level off or even drop somewhat in 1959. Hog slaughter in North America, which dropped in 1957 and 1958, is expected to rise sharply next year. South American hog slaughter is expected to rise slightly while the kill in Oceania will probably remain level. Total pork output in 43 countries is expected to be 5 percent greater in 1959 than in 1958 and 23 percent above the 1951-55 average.



EUROPEAN LARD AND PORK PRODUCTION EXPECTED TO LEVEL OFF IN 1959

Hogs: Total number slaughtered in specified countries, annual 1951-55, and average 1951-55

Continent and country	1951	1952	1953	1954	1955	1951-55 average
	1,000	1,000	1,000	1,000	1,000	1,000
North America:						
Canada 1/	4,895	6,699	5,003	5,079	5,917	5,519
Mexico	1,875	1,850	2,297	2,526	2,780	2,266
United States-Inspected	62,054	62,451	53,813	52,894	61,370	58,516
" " Total	85,540	86,572	74,368	71,495	81,058	79,807
Cuba	1,205	1,251	1,180	1,153	1,180	1,194
Europe:						
Austria	1,990	2,254	2,409	2,438	2,648	2,348
Belgium	1,858	2,190	2,198	2,152	2,224	2,124
Denmark	5,327	5,168	6,544	7,205	7,492	6,347
France 1/	4,659	5,867	6,748	6,588	6,942	6,161
Germany, Fed. Rep. 2/	12,496	13,906	14,260	14,385	17,152	14,440
Ireland	734	864	1,197	1,421	1,245	1,092
Italy	3,301	4,590	4,308	3,434	3,650	3,857
Netherlands	2,819	2,690	3,088	3,161	3,703	3,092
Norway	450	430	445	475	633	487
Portugal	--	--	765	709	686	3/ 720
Sweden	2,074	2,163	2,403	2,622	2,514	2,355
Switzerland	953	1,025	1,119	1,082	1,140	1,064
United Kingdom	4,313	6,421	7,896	10,103	10,413	7,829
Yugoslavia	--	--	4,614	4,692	4,805	3/4,704
Asia:						
Japan 1/	922	1,526	1,843	1,433	1,659	1,427
Philippines	--	1,472	1,474	1,557	1,666	3/1,542
South America:						
Argentina	1,712	1,722	1,991	2,025	2,013	1,893
Brazil 1/	5,986	6,140	6,207	6,328	6,474	6,227
Colombia 1/	775	750	725	790	808	770
Uruguay	208	228	228	230	265	232
Africa:						
Union of South Africa	--	--	629	588	599	3/ 605
Oceania:						
Australia 1/	1,531	1,466	1,486	1,714	1,940	1,627
New Zealand 4/	707	685	740	760	778	734

1/ Commercial slaughter. 2/ Slaughter from domestic sources only. 3/ Less than 5 year average. 4/ Year ending September 30.

Prepared or estimated on the basis of official statistics of foreign governments, other foreign source material, reports of U.S. Agricultural Attaches and Foreign Service Officers, results of office research and related information. Foreign Agricultural Service, October 1958.

HOGS: Total number slaughtered in specified countries, average 1951-55, annual 1956-57, indicated 1958, and forecast 1959

Continent and country	Average 1951-55	1956	1957	Indicated 1958	Forecast 1959	Percent 1958 of 1957	Percent 1959 of 1958
	1,000	1,000	1,000	1,000	1,000	percent	percent
North America:							
Canada 1/	5,519	5,960	5,401	6,106	6,354	+ 13	+ 4
Mexico	2,266	2,920	3,100	3,160	--	+ 2	--
United States-Inspected	58,516	65,748	60,682	59,700	68,000	- 2	+ 14
" " Total	79,807	85,193	79,049	77,800	88,000	- 2	+ 13
Cuba	1,194	1,215	1,240	1,260	1,285	+ 2	+ 2
Europe:							
Austria	2,348	2,765	2,826	2,940	3,000	+ 4	+ 2
Belgium	2,124	2,472	2,463	2,270	2,500	- 8	+ 10
Denmark	6,347	6,800	7,700	7,500	7,500	- 3	0
France 1/	6,161	8,287	8,424	8,375	8,325	- 1	- 1
Germany, Fed. Rep. 2/	14,440	17,290	18,536	19,446	18,600	+ 5	- 4
Ireland	1,092	1,045	1,256	1,500	1,400	+ 19	- 7
Italy	3,857	4,580	4,463	4,388	4,312	- 2	- 2
Netherlands	3,092	3,879	4,121	3,900	3,800	- 5	- 3
Norway	487	688	666	628	628	- 6	0
Portugal	3/ 720	696	797	880	970	+ 10	+ 10
Sweden	2,355	2,486	2,843	3,188	3,135	+ 12	- 2
Switzerland	1,064	1,262	1,315	1,335	1,360	+ 2	+ 2
United Kingdom	7,829	9,664	10,014	11,012	11,460	+ 10	+ 4
Yugoslavia	4,704	4,594	3,940	4,000	4,500	+ 2	+ 13
Asia:							
Japan 1/	1,477	2,150	2,687	2,950	--	+ 10	--
Philippines	1,542	1,922	2,114	2,300	2,500	+ 9	+ 9
South America:							
Argentina	1,893	2,515	2,700	2,400	2,350	- 11	- 2
Brazil 1/	6,227	6,831	7,200	7,300	7,500	+ 1	+ 3
Colombia 1/	770	787	721	735	735	+ 2	0
Uruguay	232	239	233	234	236	0	+ 1
Africa:							
Union of South Africa 1/	3/ 605	694	--	--	--	--	--
Oceania:							
Australia 1/	1,627	1,733	1,870	1,800	1,700	- 4	- 6
New Zealand 4/	734	816	726	740	775	+ 2	+ 5

1/ Commercial slaughter. 2/ Slaughter from domestic sources only. 3/ Less than 5-year average.
4/ Year ending September 30.

Prepared or estimated on the basis of official statistics of foreign governments, other foreign source material, reports of U.S. Agricultural Attaches and Foreign Service Officers, results of office research and related information. Foreign Agricultural Service, October 1958.

The most important of these changes, from the U. S. producer's point of view, will be the leveling-off of European hog production. The heavy slaughter and lard production in Europe this year cut sharply into U. S. exports of lard to that area. They dropped from 163.9 million pounds during the first 6 months of 1957 to 81.5 million pounds during the same period this year. Pork variety meat exports have also suffered from heavy domestic production in Europe.

North America

Hog slaughter in North America declined slightly during 1958 but is expected to rise sharply next year. United States slaughter, which dropped sharply in 1957 due to low 1956 hog prices, declined further in 1958. Prices have been strong this year, however, and farmers intend to take advantage of the unusually favorable hog-corn ratio and to increase production substantially next year.

Canadian slaughter rose sharply this year, and further increases are expected. Feed grain supplies are abundant, and hog prices have remained high. New hog price supports announced this year have also stimulated production by assuring farmers a floor price for their animals. Although Canadian hog prices were at a high level throughout the first three-quarters of 1958, the expected heavy slaughter of late 1958 and early 1959 is expected to depress prices to the vicinity of support levels.

Hog slaughter in Mexico and Cuba continues to increase. But the steady increase in hog production in recent years had not kept pace with the growing demand for pork, and these two countries are importers of pork and lard. Vegetable oil, however, has cut into the demand for lard in both areas.

South America

Over-production of hogs in Argentina during 1957 and early 1958 caused a drop in prices. Farmers reacted by curtailing hog production. A sharp drop in hog slaughter is estimated for 1958 and 1959. Brazilian hog slaughter continued to increase in 1958, and further increases are looked for in 1959. The commercial slaughter reported in this Circular is only part of the total slaughter, for which no estimate is available. Brazil's hog numbers are the largest in South America and the fourth largest in the world.

Western Europe

Hog slaughter throughout Western Europe was characterized by sharp growth during 1957 and 1958. Slaughter is expected to level off during 1959, however, as farmers react to weak pork prices. Throughout the area, governments have had to take steps to protect the hog producer's income. Some of the measures, such as restricting imports of hog products, have adversely affected U. S. exports. Although slaughter is expected to level off during 1959, it will still be heavy, and hog products will be plentiful.

Table 3 - PORK: Production of 43 countries, by areas, average 1951-55, annual 1956-59

Continent or area	Average 1951-55	1956	1957	Estimated 1958	Forecast 1959
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
North America 1/	12,142	12,746	11,870	11,800	13,200
South America 2/	955	1,138	1,218	1,200	1,210
Western Europe 3/	11,168	12,888	13,060	13,400	13,370
Eastern Europe 4/	5,043	6,105	6,176	6,400	--
U.S.S.R.	3,650	4,400	5,000	5,500	--
Middle East 5/	4	4	4	4	4
South & East Asia 6/	289	389	484	500	540
Union of South Africa	102	107	107	110	--
Oceania 7/	286	295	290	300	290
Total	33,639	38,072	38,209	39,214	41,330

1/ Canada, Mexico, United States, and Cuba. 2/ Argentina, Brazil, Chile, Colombia, Paraguay, and Uruguay. 3/ Excludes Iceland. 4/ Excludes Albania. 5/ Egypt, Iraq, Iran, and Turkey. 6/ Philippines and Japan. 7/ Australia and New Zealand.

Slaughter in Denmark, which declined during the second half of 1958, is expected to remain at the same level in 1959. Weak prices for Danish bacon on the U. K. market and heavy West German hog production have reduced Danish hog producers' profit margin. Denmark is the world's largest exporter of pork, and the Danish hog industry is dependent on its export market to an unusual degree.

French hog slaughter, which rose in 1957, is expected to show a drop in 1958 and 1959. In contrast, Irish hog kill has been very heavy in 1958. However, weak domestic prices and an abundance of pork on Ireland's U. K. export market have caused farmers to plan reductions in their 1959 hog marketings. In the Netherlands, slaughter is also expected to drop in 1959. Here again, overproduction during 1957 and 1958 has caused farmers to reduce their hog production. The Netherlands is another exporter which has been affected by the heavy supplies of pork in the United Kingdom.

West German hog slaughter has risen steadily during the past 8 years but is expected to drop next year. Pork and lard was in abundant supply this year and prices were weak. To help support prices, the government bought pork for canning and restricted imports.

The United Kingdom's hog kill rose sharply in 1958 and is expected to rise further in 1959. This heavy U. K. hog slaughter has been felt by all the pork and lard exporting countries of Europe and by the United States. Although there is some indication that reduced production subsidies and weak prices have discouraged hog raisers, no significant decline in slaughter is expected before the end of 1959.

Because of reduced supplies of beef in the United Kingdom during the second half of 1958, pork consumption has increased. This has stabilized pork prices to some extent.

Austrian slaughter rose during 1958 and is expected to continue upward in 1959. Austria has had to restrict imports and encourage exports to support hog prices. Most of Austria's exports are live hogs to Italy. Belgian hog production, down in 1958, is expected to rise sharply in 1959, while Italian production is expected to continue its downward trend. Over-production in Sweden has resulted in low hog prices. However, abundant grain supplies have led farmers to cut production of hogs only slightly.

Other Areas

Hog slaughter in Eastern Europe is expected to continue upward. There have been indications this year that some Eastern European areas have an over-supply. Exports have continued to increase. Yugoslavia expects an increase in hog slaughter this year after the low of 1957. A good corn crop last year left considerable carryover for feed, and hog production is expected to increase rapidly in 1959.

Slaughter in Asia this year is expected to show a sharp rise due to Communist China's large hog numbers. Although sizable shipments are made to the U.S.S.R., China consumes most of its own pork. Japanese slaughter has continued to rise during 1958. Philippine slaughter is expected to continue the upward trend of the past several years.

Pork Production

On the basis of estimated hog slaughter, pork production in the 43 countries for which the Foreign Agriculture Service publishes statistics will be 39.2 billion pounds in 1958, 3 percent above 1957 and 16 percent above the 1951-55 average. The U.S.S.R. is expected to show the largest single gain. For a more detailed study of pork production see Foreign Agriculture Circular FLM 7-58, July 29, 1958.

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